

**CALENDAR ITEM
C58**

A 35
S 17

02/07/17
PRC 8152.1
J. Toy

REVISION OF RENT

LESSEE:

PC Landing Corp., a wholly-owned subsidiary of NTT Communications Corporation

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, offshore of the city of Grover Beach, San Luis Obispo County.

AUTHORIZED USE:

Continued use and maintenance of two 5.25-inch diameter steel conduits and two fiber optic cables.

LEASE TERM:

15 years, beginning April 20, 2010.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff reviewed the rent under this lease and recommends that rent be revised from \$242,075 per year to \$274,822 per year, effective April 20, 2017.

OTHER PERTINENT INFORMATION:

1. Lessee owns the upland adjoining the lease premises.
2. On April 20, 2010, the Commission authorized a General Lease – Non-Exclusive Right of Way Use to PC Landing Corp., a wholly-owned subsidiary of NTT Communications Corporation for a term of 15 years beginning April 20, 2010 ([Calendar Item C48, October 29, 2010](#)). The lease will expire on April 19, 2025.
3. This action is consistent with Strategy 2.2 of the Commission’s Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.

CALENDAR ITEM NO. **C58** (CONT'D)

4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

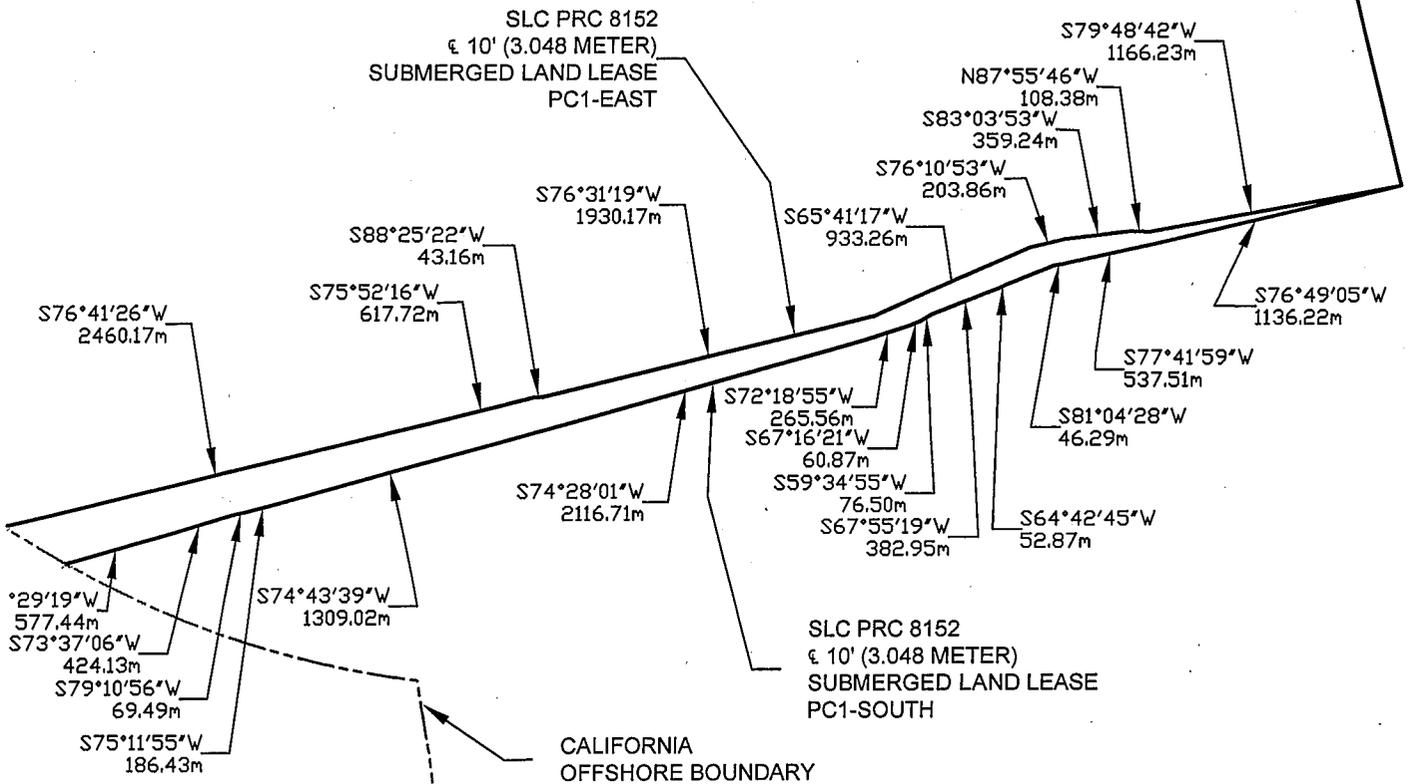
AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8152.1 from \$242,075 per year to \$274,822 per year, effective April 20, 2017.

NO SCALE

SITE

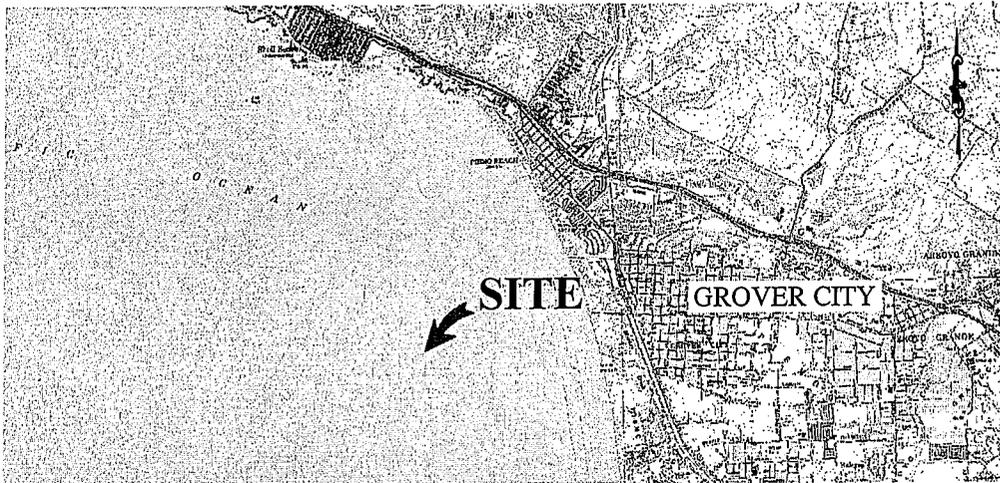
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TWO STEEL CONDUITS AND TWO FIBER OPTIC CABLES OFFSHORE FROM GROVER BEACH

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8152.1
PC LANDING CORP.
GENERAL LEASE -
NON-EXCLUSIVE
RIGHT OF WAY USE
SAN LUIS OBISPO CO.



JAK 1/17

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.